



**Minutes of the Economic Development Task Force
June 22, 2009—8:30 a.m.
King's Fish House
100 West Broadway, Banquet Room
Long Beach, CA 90802**

PRESENT

Voting Members: Phil Appleby, Rose Barrantes, Loara Cadavona, Steve Goodling, Pat Paris, Mark Schneider, Tony Shooshani

Absent Members: Becky Blair, Amy Bodek, Greg Gill

Guests: Carl Morgan

Staff: Kris Larson, Vanessa McCollum

I. CALL TO ORDER

Kris Larson called the meeting to order at 8:37am. Self introductions were made.

II. APPROVAL OF MINUTES FROM JUNE 8, 2009

Mark Schneider made a motion to approve the minutes, Tony Shooshani seconded the motion. Minutes were approved with no corrections.

III. ELECTION OF THE TASK FORCE CHAIR

Phil Appleby nominated Shooshani to be the Task Force Chair and Shooshani accepted the nomination. All were in favor, none opposed, no abstentions.

IV. STAFF UPDATE AND ADDITIONAL PROJECT DETAIL

Larson reviewed the 18-Month scope of work and discussed several projects at length with the Task Force. The database information will include business profiles and available space inventory. Shooshani added that he would like to see tenant lease agreement termination dates added into the business profiles and available space inventory, which would probably be accessible via Costar. Pedestrian counts would help augment retail recruitment, and Larson stated that he will send out an RFP in July. Larson proposed wanted to wait until the market started rebounding before developing an extensive marketing campaign, will be addressed in subsequent meetings. Larson reported that the ED website has been previewed and Kraig Kojian will be reviewing it tomorrow. Brokerage briefings with the Office and Retail Council

will present a great opportunity to engage with approximately 20-25 people, understand their needs and facilitate networking and dialogue.

The Downtown Development map is in its draft stages and will be finalized within the next three to four weeks. The map will spotlight some of the great projects underway and be designed to reach more people also be used as a storefront activation feature. Shooshani added that he'd like to see renderings on the map, and Carl Morgan said that it will paint the future picture. A complementary printed collateral piece, the economic profile, will be a stand-alone book about the Downtown economy and will build upon the market study that Morgan outlined.

Relative to business retention and expansion, Larson has booked Barbara Wold to do seminars at no cost to participants for August 11-12, 2009, and will be working to determine which workshops will be most beneficial for which businesses, hopefully appealing to small business and large companies alike. Participants will also have the opportunity for her to do 1:1 consulting in 30-45 minute time slots. Mark Schneider asked if Wold would be selling her own services or has any agenda, and Larson stated that the DLBA would be retaining her based upon working with her in the past; Larson added that he has never heard anything of that nature from colleagues who have worked with her before, but that he was happy to look into that possibility. Shooshani stated that he would be glad to contact his tenants and encourage them to attend and would be interested in having a specific seminar for CityPlace tenants. Larson then reported that the retail visioning RFP will go out in July.

Larson then noted that storefront activation programs will be managed by Economic Development rather than the DLBA Marketing department. Larson expressed interest in thinking creatively to maintain active uses for the spaces, rather than their serving only as static display areas. Shooshani asked about in-window advertising. Larson said that he wants to be sure that window advertising is legal. Morgan stated that a conversation should be had with Derek Burnham in the City's Planning department before they move forward with any kind of window signage. Shooshani mentioned specifically the building purchased by Dev Mavi at 3rd street and Pine Avenue, and Morgan stated that he will be working with them soon on a façade improvement for those storefronts. Steve Goodling expressed concern regarding the retail visioning process and asked for clarification of the selling process. Larson stated that the visioning process is partially an educational process and a breakdown of realistic incremental goals. The Task Force discussed why it has been difficult in the past to attract major national chains like Trader Joe's, and that ultimately, Downtown Long Beach does not meet the specific socioeconomic demands of those retailers. Morgan stressed the importance of conveying this information to the general population. Goodling suggested that it would be beneficial to hire someone to accompany new retail prospects through the entire process to help close the deal, and Morgan stated that he and Larson would have further discussion regarding potential retailer assistance. Loara Cadavona said that because we have limited resources and funding, we need to work very hard to prepare for the economic upswing. Cadavona stressed the importance of all groups coming together. Pat Paris said that the residents need

exact visioning, which would include which retailers are being pursued and the outcome of those pursuits. Shooshani proposed calling the Office and Retail Council the “Occupancy Council,” and Larson stressed the importance of not moving too many business offices into prime retail space as a short-term solution. Appleby stated that the DLBA and the Economic Development Task Force need to accomplish small successes and noted limited resources as part of the reason storefronts remain empty. Morgan stated that the RDA started doing retail recruitment because no one else was doing it, and added that he and Larson will continue to follow the leads that were put in place before the recession, noting that approximately 65 prospective deals before the recession have narrowed down to three. Morgan stated that the need to ensure that the land use plan matches the Downtown needs and that the businesses that move in are businesses that the Downtown demographic can support.

V. Strategic Economics Downtown Market Study Presentation

Morgan noted that the study, commissioned by the RDA, showed that people living in new development projects have higher median income than that of existing residents. Schneider asked what the percentage is of those new residents and Morgan stated that it is 17%. Morgan stated that Claritas had done a study a few years ago which reflected a \$27,000 median income for residents in a one mile radius of 3rd Street and Pine Avenue and that the new study shows that number has grown to \$45,000. Shooshani noted the diversity of Downtown residents and stressed the importance of being able to provide stable, quality retail for people with \$27,000 and \$45,000 median incomes. Morgan stated that the RDA would like to put the new courthouse in the West Gateway, noting that they are a large employer, and many employees live and shop in the Downtown. Goodling asked about information regarding the average yearly rent increase for office space in the Downtown, and Appleby said that it was mostly CPI driven. Shooshani said that he’d like to see editorials regarding the Strategic Economics study, and Larson said that the information would need to be framed properly to be of benefit. Schneider asked why the DLBA newsletter was no longer inserted into the Grunion Gazette, noting that it would be a great place to share study information and was told that it was a funding issue.

VI. Discussion

Appleby asked if there was a strategy to market the individual areas of the Downtown, and Morgan mentioned the importance of working together with the Long Beach Area Convention and Visitors Bureau (CVB) to increase hotel occupancy, stating that most large retailers will not be looking to expand until 2010-2011. Larson mentioned the retail mix plan for individual areas as part of a tenanting strategy to build overall character and emphasize the supply and demand strategy. Larson stated that local hotels should consider marketing more to the residents, noting that the hotels are a greatly untapped resource. Shooshani mentioned putting collateral in hotel rooms, and maybe having an in-room video showcasing the Downtown. Cadavona suggested that it would be beneficial to the hotels to market to residents for happy hour, and Larson stated that it can be challenging for individual businesses

to market to the residents directly. Rose Barrantes mentioned that Aqua HOA has recently put out a discount card to its residents to encourage patronizing Downtown dining and retail establishments. Larson said that it would be a great idea to partner with the Downtown Residential Council to distribute a similar piece.

VII. Next Meeting Date

The next meeting of the Economic Development Task Force will be July 13, 2009, at 8:30 a.m. at King's Fish House in the Banquet room.

VIII. Old Business

There was no old business.

IX. New Business

There was no new business.

X. Public Comment

There was no public comment.

XI. Meeting Summary

Morgan stated that retail recruitment would need to be focused and strategic. Larson noted that it is important to make sure that any new development is zoned for mixed use and that the community must not advocate for any new development or the current 20% vacancy will remain. Schneider said that re-zoning should be considered, and Larson said that the Downtown Community Plan will be unveiled tonight at 5:00pm at City Hall and does include some re-zoning.

XII. Adjournment

The meeting was adjourned at 10:03 a.m.